

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6362

BILL NUMBER: HB 1239

DATE PREPARED: Nov 12, 2001

BILL AMENDED:

SUBJECT: Alcoholic Beverage Permit Fees.

FISCAL ANALYST: John Parkey

PHONE NUMBER: 232-9854

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: The bill reduces the advance cost fee for the transfer of an alcoholic beverage permit from \$250 to \$100 beginning July 1, 2002, and increases the fee from \$100 to \$250 over a four-year period.

Effective Date: July 1, 2002.

Explanation of State Expenditures:

Explanation of State Revenues: This bill will reduce General Fund revenue received from the fee paid to transfer an alcoholic beverage permit between persons or locations. The bill will reduce the current advance cost fee from \$250 (as authorized by P.L. 204-2001) to \$100 in FY 2003 and then will phase in a \$50 per year increase until the fee reaches \$250 at the start of FY 2006. Based on information from the Alcohol and Tobacco Commission (ATC), it was estimated that there will be approximately 150 permit transfers each year. The yearly impacts on the General Fund are shown in the table below.

Current and Proposed State General Fund Revenue from Collections of the Advance Cost Fee (FY 2003-FY 2006)					
Fiscal Year	Proposed Rate	Revenue from Proposed Rate	Current Rate	Revenue at Current Rate	Reduction in General Fund Revenue
FY 2003	\$100	\$15,000	\$250	(\$37,500)	(\$22,500)
FY 2004	\$150	\$22,500	\$250	(\$37,500)	(\$15,000)
FY 2005	\$200	\$30,000	\$250	(\$37,500)	(\$7,500)
FY 2006	\$250	\$37,500	\$250	(\$37,500)	-0-

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Alcohol and Tobacco Commission.

Local Agencies Affected:

Information Sources: Don Okey, Alcohol and Tobacco Commission, 232-2463.